Sustainable Rice Platform Internal Management System (IMS) Guidelines for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation (Group Implementation)
Sustainable Rice Platform Internal Management System (IMS) Guidelines for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation (Group Implementation) (Version 1.0)

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About the Sustainable Rice Platform (SRP)

The Sustainable Rice Platform e.V. (SRP) is a global multi-stakeholder alliance comprising over 100 institutional members from public, private, research, civil society and the financial sector. Originally co-convened by the International Rice Research Institute (IRRI), the United Nations Environment Programme (UNEP) and Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), SRP is now an independent member association, working together with its partners to transform the global rice sector by improving smallholder livelihoods, reducing the social, environmental and climate footprint of rice production, and by offering the global rice market an assured supply of sustainably produced rice.

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Glossary

**Actors:** All parties participating in the SRP Assurance Scheme v 1.3.

**Assurance Service Provider (ASP):** GLOBALG.A.P., an entity mandated by the SRP to provide assurance-related services on its behalf.

**Auditor:** Person who performs the IMS audit and/or reviews audit reports. An auditor is an individual who complies with the requirements set out in the SRP Assurance Scheme and is recognized as qualified to audit the Internal Management System of producer groups to verify compliance with the IMS Standard.

**Continuous improvement:** A series of incremental, documented improvements in the producer group’s operations. Among areas that contribute to continuous improvement plans are risk assessment; internal and external findings; complaints and appeals records; and review of market requirements.

**External Inspection:** Inspection by a second party for Assurance Level 2 or by a third party for Assurance Level 3. The producer group must contract an SRP Approved Verification Body (VB) to plan and conduct the external inspection. The producer group and VB must agree on costs of the external inspection; individual producers in a group are not directly charged by the VB. A list of SRP-approved verification bodies is available at the GLOBALG.A.P. website (https://www.globalgap.org/uk_en/for-producers/sustainable-rice-plattform/)

**Group administrator/representative:** The entity that signs a sublicence agreement with the SRP approved Verification Body and has agreed to take on responsibility for the development and implementation of the group’s internal management system for the purpose of assuring that all members are working towards full compliance with the SRP and associated IMS standards.

**Implementer:** Supply chain actors (producers, producer groups, millers, processors, producer organizations and other organizations) who adopt and implement the SRP Standard and participate in the SRP Assurance Scheme.

**Individual producer:** Individual grower or single organization who may own several production sites that do not function as separate functional or legal entities.

**Inspector:** Person performing the inspection/audit and who complies with the requirements as set out in the SRP Assurance Scheme.

**Internal Inspection:** Inspections carried out for each postulant member prior to enrolment as a member of the producer group. The internal inspection forms part of the enrolment procedure. Following member registration, members (and corresponding production site or sites) should be inspected at least once per year prior to verification at Assurance Level 2 or Level 3, against all the relevant SRP requirement points under the SRP Standard.

**Internal Management System (IMS):** A documented set of procedures and processes to be implemented by a producer group to ensure and demonstrate that it can achieve
specified requirements. The IMS allows the assurance provider to delegate inspection of individual group members to an identified body within the group.

**IMS Team:** A team formed to guarantee that the IMS is internally evaluated and that all group members receive internal inspection or conduct self-assessment according to the frequency stipulated in the SRP Assurance Scheme. This team is established with clear separation of roles (overall management, training, internal inspection, compliance decision taking, purchasing).

**Producer Group (Organization):** A group of individuals or businesses, that may be either informal or established as a legal entity. Examples include rice production communities, cooperatives, farmer organizations or millers with contract farmers. Producer groups without a legal entity are expected to follow the same processes as if they were a legal entity, in particular with regard to governance structures to implement the IMS. All group members are required to sign an agreement to comply with the SRP Standard and IMS.

**Self-Evaluation:** Self-evaluation is required at group level in order to assess the main issues to be addressed by its members in order to reach compliance with the SRP Standard and to estimate what changes will be needed from the outset. These changes may require a process of training, coaching and development of action plans.

**Sustainable Rice Platform (SRP) Member:** A legally-constituted organization whose application to join SRP as a Full Member or Observer has been approved by the SRP Secretariat.

**Verification:** Process of providing an Implementer with official SRP Verification, attesting to its status and compliance with the SRP Standard and policies (relevant for Assurance Levels 2 and 3).

**Verification Body:** An organization responsible for inspection of producers according to the SRP Standard. They may have a relationship with the producer (second party) or be independent (third party) and shall operate with SRP qualified auditors and inspectors according to the compliance requirements defined in this document.
1. INTRODUCTION

1.1 The SRP Assurance Scheme

The Sustainable Rice Platform (SRP) is a global multi-stakeholder alliance of over 100 institutional members from public, private, research, civil society and the financial sector. The SRP initiative was originally co-convened by the International Rice Research Institute (IRRI), the United Nations Environment Programme (UNEP) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (GIZ) as well as private sector partners, and operates as an independent member association.

SRP works with its members and strategic partners to transform the global rice sector by improving smallholder livelihoods, reducing the social, environmental and climate footprint of rice production, and by working to transform the global rice sector and offer the global rice market an assured supply of sustainably produced rice.

In 2015 the SRP launched the world’s first voluntary Standard for Sustainable Rice Cultivation, which provides a working definition of sustainability in any rice system and allows sustainability scoring at farm level. In addition, a linked set of SRP Performance Indicators (PI) was made available to enable quantitative monitoring of improvements and impacts resulting from adoption of climate-smart, sustainable best practice under the SRP Standard.

The following tools and approaches are available at the SRP website (www.sustainablerice.org):

1. SRP Standard for Sustainable Rice Cultivation v 2.1
2. SRP Performance Indicators for Sustainable Rice Cultivation v 2.1
3. SRP Assurance Scheme version 1.3
4. SRP Assurance Scheme Information Note No 1 (Audit Guidelines) 9 Dec 2020
5. SRP Brand Manual 2020
6. SRP Internal Management System (IMS) Standard for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation (IMS Standard) v 1.0
7. SRP Internal Management System (IMS) Guidelines for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation (IMS Guidelines) v 1.0
8. SRP Chain of Custody Policy and Standard v 1.0.
9. SRP Assurance Scheme FAQs
10. List of SRP-approved Verification Bodies
SRP and its members work to drive broad-scale uptake of the SRP Standard and tools within both the public and private sectors. The SRP Standard is designed to drive progressive improvement in performance among rice smallholders, with the aim to achieve a measurable transformative impact at sector level. By 2023, SRP aims to promote adoption of sustainable farming practices among at least 1 million rice farmers.

The ‘SRP-Verified’ on-pack Label and Assurance Scheme are based on the SRP Standard and provide a system for supply chain actors to procure SRP-Verified rice and make sustainability claims for rice produced using proven, climate-smart sustainable best practices. Launched in September 2020, the system helps boost incomes for smallholder farmers and enhances their market access. Independent audits provide supply chain actors with a robust and credible framework to de-risk their supply chains, while the on-pack SRP-Verified Label empowers consumers to choose products that directly support efforts to boost farmer livelihoods while reducing the social and environmental impact of rice farming.

1.2 About this document

This document is intended as a companion to the document ‘SRP Internal Management System (IMS) Standard for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation v 1.0’ or IMS Standard. The original IMS Standard first drafted in 2017 by UTZ, supported by a SRP Working Group, under the name “Performance Management System Standard for the SRP Standard for Sustainable Rice Cultivation, Version 1.0”. In 2019 GLOBALG.A.P. as SRP’s Assurance Service Provider, revised the document as a contribution to the normative document “SRP Assurance Scheme”. The text was subsequently further revised by NEPCon, a member of SRP, and published as two separate documents, based on their respective target audiences.

The first of these documents is the SRP Internal Management System (IMS) Standard for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation v 1.0. This document sets out the formal requirements used by internal and external auditors to assess compliance of the IMS, and against which the IMS can evaluate itself.

The second document (the current document) is the SRP Internal Management System (IMS) Guidelines for Producer Groups operating under the SRP Standard for Sustainable Rice Cultivation v 1.0. This document is designed to guide producer groups in the proper function of the IMS to ensure effective and transparent organisation and management of the group.

Both documents are available for download at the SRP website: www.sustainablerice.org

1.3 How does this document relate to the SRP Standard?

It is the responsibility of either the group or individual farmers to demonstrate compliance with the requirements under the SRP Standard. For groups of farmers this can only be achieved by means of a functioning IMS. This document lists the requirements to measure results and identify measures for continuous improvement at IMS level.

To meet the needs of a wide variety of industry and supply chain partners, the SRP Assurance Scheme offers three assurance levels, and has been developed in line with
the ISEAL Assurance Code of Good Practice Version 2.0\(^1\), which guarantees the programme’s integrity, transparency and credibility. Each of the three assurance levels is differentiated by its own compliance rules as well as associated claims that Implementers are permitted to make.

**Implementers** (e.g. Producers/Producer groups, millers, processors, or producer organizations and other organizations) need to adopt and implement the SRP Standard and policies listed below as a minimum, before they can be verified by an SRP Approved VB. Optionally, implementers can call upon the support of a **Facilitator**. Please note that the SRP Performance Indicators are an optional tool that complement the SRP Standard by measuring impact of adoption; they are not part of the formal verification process.

<table>
<thead>
<tr>
<th>Standard / Policy:</th>
<th>Applicable to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRP Standard</td>
<td>Single owner producer / Producer Group</td>
</tr>
<tr>
<td>IMS Standard</td>
<td>Single owner producer with multi-site farms / Producer Group</td>
</tr>
<tr>
<td>SRP Assurance Scheme</td>
<td>All Actors</td>
</tr>
</tbody>
</table>

**Producers / Producer Groups / Millers / Processors / Producer organizations** may choose the most appropriate assurance level for their own production context. Producers and Producer Groups meeting the compliance requirements of the SRP Standard and policies for their chosen assurance level, may reach either the compliance status **“SRP Verified”** or **“Working toward sustainable rice cultivation”**. To maintain the status of ‘working toward sustainable rice cultivation’, annual improvements in performance are expected. For details, refer to SRP Assurance Scheme.

Implementers such as rice millers, processors or producer organizations and other organizations aiming to serve as an SRP Approved VB for Assurance Level 2 must meet all applicable requirements in the SRP Assurance Scheme. The use of the ‘SRP-Verified’ label and associated claims is governed by a Chain of Custody (CoC) model provided by a VB, which must align with the SRP Assurance Scheme and SRP Communication and Claims/Logo Guideline (Annex 7 to the SRP Assurance Scheme).

Upon successful verification by the SRP Approved VB, the Implementer will receive an **SRP Verification Statement**\(^2\) that specifies the conditions of the chosen assurance level, such as the compliance score, compliance status, verified volume, permitted claims and traceability level.

For each assurance level, the process of verification is described, as well as the rights and obligations for:

- a) **Standard Setting Organization** (SRP);
- b) **Assurance Service Provider** (e.g. GLOBALG.A.P.);
- c) **Implementer** (Producer / Producer Group / Miller / Processor);
- d) **Facilitator**, preparing the Implementer for the inspection / verification / audit; and
- e) **SRP Approved VB**, conducting the inspection / verification / audit.

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\(^1\) https://www.isealalliance.org/get-involved/resources/iseal-assurance-code-good-practice-version-20

\(^2\) Implementers applying Assurance Level 1 will not receive an SRP Verification statement
The SRP Assurance Scheme further clarifies the three CoC models accepted for logo use and claims for each verification level. The SRP Member Communication and Claim/Logo Guideline (Annex 7 to the Assurance Scheme) sets the rules for use of on/off-pack product claims and logo use relating to the SRP Standard. This claims policy follows the ISEAL Sustainability Claims Good Practice Guide\(^3\) as well as specific rules included in the SRP Standard.

\(^3\) [https://www.isealalliance.org/get-involved/resources/iseal-sustainability-claims-good-practice-guide](https://www.isealalliance.org/get-involved/resources/iseal-sustainability-claims-good-practice-guide)
2. IMS: WHY IS IT IMPORTANT?

2.1 Basic conditions

In order to ensure compliance among its members, the producer group must establish an IMS in order to provide transparent oversight and ensure with confidence that individual producers within the group meet the requirements of the SRP Standard. At the same time, the IMS plays a vital role in supporting learning for individual producers.

The following conditions help to build external confidence that a producer group conforms to agreed standards:

- **Documentation and records**: How well documented are the group structures and individual group member practices? How accurate and complete are the production, chain of custody and management records?
- **Group governance**: How effective is the governing mechanism to define and implement necessary procedures? How are decisions made? Who should decide on approval or removal of members?
- **Risk assessment**: How well are key risks identified at the group member and management levels? To what extent are they integrated into training and communication (continuous improvement)?
- **Knowledge and understanding**: How well do individual producers understand what is expected of them as part of the producer group? How well does the group management and all of its individual members understand the full SRP Standard requirements? Training is an important tool to achieve this understanding.
- **Continuous improvement**: How effective are the internal checks on performance and how strong are the repercussions for non-conformance?

Each group will differ in the way that it combines these conditions to deliver confidence. As a result, auditors must show flexibility when assessing the level of confidence in the level of compliance of a group and its members. For example, a group that maintains excellent records and a high level of knowledge may not require strict internal sanctions to establish trust and confidence in the integrity of its management system.

2.2 Document control and record-keeping

Extensive record-keeping imposes a major administrative burden on producer groups. Nevertheless, efficient and externally credible group operations depend fundamentally upon this requirement. Individual producers should not be overburdened with documentation; however, at the group level written records are the most credible way to verify compliance and are essential to enable auditors to compare reported and observed practices. Group management may use a range of digital data collection tools to collect and analyse farm data.

The IMS may opt not only to collect data on behalf of individual producers but also to support producers (through Self-Evaluation) in analysing their own farm enterprise data, to help improve their efficiency, productivity and profitability.
The minimum level of record-keeping covering the relationship between the group management and its individual producers includes at least the following:

- Agreements between the group and producers
- List of producers
- Maps of production areas where applicable
- Records of sales, purchases, processing and transportation including text of claims compliant with the selected CoC model
- Internal inspection assessment reports
- Records of non-conformities, sanctions and follow-up action arising from both internal and external inspection
- Complaints and appeals
- Approval and sanction system
- Group management plan
- Social policy
- Gender equality promotion policy

Minimum records at the individual producer level include the following:

- Production records
- Records of inputs used
- Sales records
- Integrated pest management
- Soil fertilization
- Service provider (if any)

Should the producer be unable to handle records personally, group management should take over recording requirements for inputs, pest and disease monitoring, sales and produce purchased from the producer.

2.3 Group governance

Group governance is key to effective operation of the IMS. Producer Groups without a legal entity may join the SRP programme and shall assign a group administrator/representative for the purpose of signing a sublicence agreement with the VB. The group administrator/representative must agree to take legal responsibility for development and implementation of the group’s IMS and ensure that all members are in compliance with the relevant mandatory provisions of the SRP Assurance Scheme, the SRP Standard and IMS. All group members are required to sign an agreement to comply with the SRP Assurance Scheme, SRP Standard and IMS with the group administrator/representative.

Irrespective of juristic status, IMS requires the following basic elements of good governance:

- Procedure for member enrolment and expulsion
- Internal approval procedure
- Grievance mechanism
- Members’ appeal procedure
- Complaint handling procedure
- Internal inspection procedure
2.4 Risk assessment

Risk assessment is the process of identifying and analysing potential future events or decisions that may negatively impact individual producers, the group, or the environment (i.e., risk analysis); and making judgments on the tolerability of the risk on the basis of a risk analysis, while also considering influencing factors (i.e., risk evaluation). A risk assessment determines possible non-conformances, their likelihoods and consequences, and the group’s tolerances for such consequences. The results of this process may be expressed quantitatively or qualitatively. Risk assessment is an integral part of a broader risk management strategy to help eliminate any potential non-conformances.

The IMS must maintain an intimate understanding of the culture of its members as well as the field conditions in which they operate. The IMS must conduct a risk assessment at regular intervals to be able to develop an updated risk mitigation plan. The risk assessment outcome can be used to develop or update an annual management plan and internal inspection plan for continuous improvement.

2.5 Knowledge and understanding

Based on the risk assessment or needs assessment, a support programme can be developed to improve producer scores against the SRP Standard. Selection of IMS team members is important and should be competency-based. A training programme should be developed to build team capacity and upgrade individual qualifications as needed. All trainings should be documented; a template is provided in Annex 5.

2.6 Continuous improvement

Continuous improvement requires learning from risk assessments and other processes to drive a series of small changes or improvements in the group’s operations. Over time, these cumulative changes help to build a stronger and more efficient group. Continuous improvement is grounded in the process of self-reflection: open and critical examination of the group’s operations to discover opportunities for improvement, even on a small scale.

Continuous improvement does not happen spontaneously; it results from a shared planning process (plan-do-check-act cycle\(^4\)) for which time must be dedicated. All staff and group members (men and women) – anyone involved in the group’s operations – should be included in this planning process. The following information that can be used to support continuous improvement planning:

- Self-evaluations
- Risk assessments
- Internal inspection findings
- External inspection findings
- Complaints and appeals

\(^4\) https://en.wikipedia.org/wiki/PDCA
• Review of market requirements.

Continuous improvement should be recorded and reported via the annual management plan, using SMART indicators (Specific, Measurable, Assignable, Realistic and Time-related). A set of data needs to be collected to determine score and threshold compliance against the SRP Standard; these data should be stored in the IMS office and be available for inspection.

The IMS should develop an internal quality manual (in local language) covering key criteria of the SRP Standard where involvement of producers is needed to ensure group compliance with the SRP Standard. This can be presented in a compact form using clear language to ensure a common understanding among producers. If the producer group wishes to measure group performance using the SRP Performance Indicators, these can also be incorporated within the internal quality manual and internal inspection form.

The SRP Performance Indicators offer a measurement tool to complement the SRP Standard. A set of Performance Indicator data needs to be collected as part of compliance with the SRP Standard. Data collection requirements are specified in the SRP Standard v. 2.1.
3. ESTABLISHING THE IMS

This chapter provides guidance for establishing an IMS. The text and associated Annexes are not prescriptive, aiming only to provide basic models and tools to establish the main elements of a functioning IMS.

3.1 Legality

It is desirable that the producer group has legal standing entitling it to enter into a contractual relationship with GLOBALG.A.P. through the ‘GLOBALG.A.P. Sublicense and Verification Agreement’ in its latest version by a GLOBALG.A.P. approved VB, and with a Verification Body when the producer group elects to undergo Assurance Level 2 or Level 3 verification audits.

All documentation shall be available to demonstrate the producer group’s legal standing, its right to carry out agricultural production and/or trading and its ability to represent and contract with the group’s members and third parties.

If the producer group does not have legal status, it must nevertheless be qualified as stipulated in Section 2.2. and is expected to follow the same processes as if they were a legal entity, in particular with regard to governance structures to implement the IMS.

If the producer group does not have legal status, it shall assign a legal representative for the purpose of signing a sublicence agreement with the VB. The group representative must agree to take legal responsibility for development and implementation of the group’s IMS and ensure that all members are in compliance with the SRP Assurance Scheme, SRP Standard and IMS. All group members are required to sign an agreement with the legal entity to comply with the SRP Assurance Scheme, SRP Standard and IMS under the group administrator/representative.

3.2 Establishment and organisational structure

The IMS should be established and structured to allow it to provide systematic support to group members in implementing the SRP Standard, measure results and identify measures for continuous improvement. Organisational structures may differ according to needs and local culture; however, the IMS will incorporate common basic administrative and structural components as illustrated in the model show below. Annex 1 defines the function and responsibilities of each component in the organization.
The producer group must define the function and responsibilities of individuals who are assigned to serve in each of the components within the IMS. Individuals should be selected based on whether they meet the qualifications and possess the competencies required for the component in which they will serve. Training needs for IMS staff at an early stage to supplement their competencies.

<table>
<thead>
<tr>
<th>Roles and Function</th>
<th>Responsibility</th>
<th>Minimum Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMS Manager</td>
<td>• Oversee the entire IMS including overall management and group governance to ensure effective and efficient implementation of the IMS</td>
<td>Individual who understands the SRP requirements, including the SRP Standard and Assurance Scheme</td>
</tr>
</tbody>
</table>
| Internal Approval Manager/Committee | • Approve enrolment of new members based on internal inspection results and other supporting documents including but not limited to legality, producer consent, etc.  
  • Review internal inspection results and decide the consequences of negative assessments, including potential termination of group membership  
  • Review complaints and appeals received from group members or other parties | A person or group who understand the group’s operation and governance and is familiar with its procedures. These persons should be impartial so that decisions are consistent and accepted as fair |
| Training Unit                       | • Identify training needed for members on specific requirements  
  • Develop training programme for members  
  • Implement training programme and review its effectiveness | Group of people with recognized training skills, who understand the SRP requirements, including the SRP Standard |
| Internal Inspection                 | • Conduct internal inspection on each group member  
  • Analyse internal inspection results and identify key areas for improvement as a baseline for development of a training plan | Group of people with recognized inspection skills, who understand the SRP requirements, including the SRP Standard |
| Sales Unit                          | • Identify supply chain risks at producer level in order to contribute to a management plan to mitigate traceability risk  
  • Record purchase and sales data and ensure the traceability system is implemented robustly | A person or group of people who understand the principles of traceability and chain of custody |

### 3.3 Impartiality

Impartiality requires decisions to be based on objective criteria rather than on the basis of bias, prejudice, favour or personal benefit. It is important for IMS staff to
understand, respect and uphold the principle of impartiality to avoid potential conflicts of interest, and as a critical factor in the long-term stability of the IMS and the producer group which it serves.

IMS staff are required to sign a conflict-of-interest declaration to declare any perceived or actual conflicts of interest. The declaration includes a clause that s/he cannot inspect or approve a group member with whom s/he has a potential or actual conflict of interest. The declaration is considered as a commitment of IMS staff to ensure the impartiality of the system. All declarations should be verified by the IMS Manager.

3.4 Producer engagement

As part of the IMS establishment process, the producer group must ensure that the group and IMS is competent to undertake its own assurance process. It is therefore critical to engage from the outset with producers and gain trust and commitment to the IMS from all group members, before attempting to secure producer agreements. Once this trust and commitment is evident, the IMS can enter into individual agreements with each producer; these agreements should be filed and stored securely at the IMS office. The producer must be provided with their copy of the agreement so that they can review and understand their individual responsibilities and consequences of enrolment in the SRP programme.

Agreements between the group and its members define the relationship between the producer and the IMS and ensure that producers commit and understand their rights and responsibilities as group members. Each member of the group must provide written consent to participate as a member of the group and to abide by its rules. Consent declarations, including dates and descriptions, must be retained on file. Members must be made fully aware of the principles of democratic management and follow the principle of gender equality. A common understanding and consensus on all these norms must be established among group members.

It is important that agreements with producers allow members to resign or to appeal against any finding of non-conformance and resulting sanctions, which may include expulsion from the group. Members must be made aware of their rights, responsibilities and consequences associated with group membership. The agreement should be in writing in a language that is understandable to producers and signed following an agreed procedure (e.g., recorded and witnessed).

The IMS must establish a clear and credible grievance mechanism for its members in case of dispute, as well as an appeal procedure to protect members’ rights as defined in the producers’ agreement. See Annex 4 for an example of a grievance mechanism.

Following signature of a producer agreement, enrolled producers should be listed in an ‘SRP Producers List’. See Annex 2 for a sample template. A complete list of producers participating in the programme must be centrally filed at the IMS office. As a minimum, the list must contain the following information:

a. Producer’s name, contact details, group ID number
b. Land tenure status (owned or leased)
c. Location of production area and GPS coordinates
d. Total growing/production area and/or quantity for each registered product
e. Date of entry to the programme
f. Production (past yields since entry date and current year’s estimate) validated by the IMS.

3.5 Member enrolment and removal

It is possible that producers may be enrolled in a group programme without their knowledge or consent. SRP requires written consent from each individual producer. Though requirements for new members to join an SRP producer group may vary by group, enrolment should follow the IMS group governance to ensure candidate members are able to fulfil SRP requirements by passing an internal inspection, and understand their rights and responsibilities before providing written consent to join the programme. The process for approval of new members is specified in the IMS governance procedure and decided by the internal Approval Manager/Committee.

Removal of members can be decided by the members themselves, or as a result of non-conformance determined by an internal inspection and/or external inspection. Members also have the right to terminate their own membership in the group, following the specified process. Expulsion of members as a result of an adverse inspection (internal or external) should follow the group governance process. Members have the right to appeal any decision, following the producer group’s stipulated grievance procedure/mechanism.

3.6 Internal approval and sanction system

An IMS Internal Approval Committee must be in place to assess individual farmer reports and decide on compliance, and there must be no actual or perceived conflicts of interest among Committee members (see Annex 3). Conflict of interest declarations must be signed by all IMS staff and verified by the IMS Manager. Training activities, inspections and approvals must be conducted by different people within the IMS to avoid conflicts of interest though separation of function. Approval and sanction decisions may be taken either by one person or a group of qualified group members (Internal Approval Committee), with the latter as the recommended option.

Qualifications for participation in the Internal Approval Committee are as follows:
- No conflicts of interest regarding approval of producer members of the group
- Good knowledge of the SRP Standard

The IMS is required to develop a documented system to implement and record key governance processes, including:
- internal approval and sanction procedures
- decision-making and corrective measures records
- up-to-date decision for all inspected producers
- notifications of decisions to the producer

Decisions made by the internal Approval Manager or Committee on assurance level (Level 1, 2 or 3) of producers are intended to ensure that producers are treated fairly and consistently within the group and across group programmes throughout the Standard system. A number of questions should be addressed for this activity, as follows:
• Who will make the decision and what skills and knowledge are required?
• How can it be ensured that the decision-maker is not influenced in the decision and that they are not in a conflict of interest in regard to the decision?
• What information is needed for the decision to be made, and how is that information communicated to the decision-maker?
• When will the decision be made?
• How will the producer be informed of the decision?

3.7 Risk assessment

A risk assessment is conducted to identify potential production risks, considering all compliance criteria defined by the SRP Standard, and to define high, medium and low-risk elements in production.

A risk assessment is carried out in accordance with a documented risk assessment procedure and conducted to assess the producers’ risk profile; it should be reviewed annually. The results and follow-up actions are documented and available during a verification audit.

A 5-step process for IMS risk assessment and management is provided below.

<table>
<thead>
<tr>
<th>Risk assessment and management process</th>
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<tbody>
<tr>
<td>Establish the context</td>
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<tr>
<td>Identify the risks / hazards</td>
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<tr>
<td>Analyse the risks</td>
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<tr>
<td>Evaluate and prioritize the risks</td>
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<tr>
<td>Address the risks</td>
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</table>
Based on the outcome of the risk assessment exercise, an annual activity plan according to priorities set for the coming year can be developed. At the same time, it is also advised to consider the “Plan – Do – Act – Reflect” cycle. The annual plan should be related to SMART results (Specific, Measurable, Assignable, Realistic and Time-related). A set of data needs to be collected related to the score and threshold compliance against the SRP Standard. These data should be available and stored in the office of the IMS.

3.8 Internal inspection

Internal inspections will be carried out for each postulant member prior to enrolment as a member of the producer group; the inspection forms part of the enrolment procedure. Following member registration, members (and corresponding production site or sites) site should be inspected at least once per year prior to verification of Assurance Level 2 or Level 3, against all the relevant SRP requirement points under the SRP Standard.

In the first year, new group members will undergo individual inspections (100% internal inspection or peer-to-peer reviews, and for external inspections at least the square root of the total number of producers). In the second and subsequent years, inspection can be based on a risk assessment of group members. In that case, the producer group must take measures to guarantee that all producers receive an internal inspection at least every 3 years. This system generates efficiencies to make the model scalable and cost-effective. A clear mechanism determines the frequency of internal inspections for existing members based on a clearly defined and documented risk profile and risk assessment.

The frequency and sample size must comply with the rules of the respective SRP Assurance Scheme level and be based on an agreed inspection plan (see Annex 6). Annex 5 provides a template inspection plan to be developed by each internal inspector. The IMS team should collect all internal inspection plans from all inspectors in order to conduct an annual internal inspection plan; this plan needs to comply with SRP requirements.

Individual internal inspection results are documented in the Individual Farmer Reports (using the SRP Data Collection Tool) and in the Group Summary Report. Reports contain producer identification, previous production and current estimation, producers’ signature, inspection date, inspector’s name, non-conformities identified, corrections and corrective actions, approval or sanction decision. All records of the internal inspection, inspection findings, and follow-up of agreed corrective actions resulting from inspection must be maintained and available during the external audit.

3.9 Self-evaluation

A self-evaluation process is required at IMS level in order to assess the main issues to be addressed by producers in order to reach compliance with the SRP Standard and to estimate what changes will be needed from the outset. These changes may require a process of training, coaching and action plans.

Self-evaluation uses a different benchmark compared with internal inspection; while internal inspection indicators are based on compliance with the SRP Standard criteria, self-evaluation indicators are based on the IMS Standard. Self-evaluation assesses the performance and effectiveness of the IMS itself. The result may trigger a process of training, coaching, action plans and even modification of the IMS organizational structure.
The principle of impartiality must be upheld for self-evaluations conducted by IMS staff. Self-evaluation results must also be documented and made available to the external auditor prior to audit.

3.10 Group management plan

Based on the risk assessment and internal inspection results, the IMS must develop a group management plan that all participating producers can implement.

3.11 Soil fertilization program

The IMS requires documentation that provides reliable information for the group’s fertilization program, preferably based on soil analysis. Advice may be provided by a qualified member of the IMS staff (see Annex 2) or reference can be made to an expert providing support.

3.12 Integrated pest management

As an example of the implementation of the SRP Standard, producers must ensure that any chemical inputs are not prohibited under Requirement no. 18.1-18.6 of the SRP Standard. The IMS may consider providing a list of permitted chemicals. Producers must follow label application instructions (e.g., dose, frequency of application and use of protective clothing). Food safety procedures must also be in place. Re-entry times and time between last application and harvest must be clearly communicated with the members and strictly observed by all producers. A procedure to handle empty chemical containers is also required (Requirement no. 34 of the SRP Standard). For details please refer to the SRP Standard Version 2.1 (available at www.sustainablerice.org).

3.13 Chain of Custody

Product traceability and segregation is important to maintain the integrity of rice originating from verified producers. The Chain of Custody (CoC) system requires that all transaction documentation (sales invoices, other sales related and dispatch documentation) must be recorded at IMS level. The IMS should identify key risk points and develop a plan to mitigate mixing risk in the supply chain. Documented procedures should be established, including a supply chain flowchart showing product origin, procedure and records for monitoring production volumes, product movement, storage, sale and resale.

The IMS must also demonstrate that the SRP-verified rice handled in its facilities are covered by internal procedures to preserve product integrity. It should have a system to identify the verified rice either by visual or physical means; SRP-verified rice must be stored separately from non-SRP rice. Rice in storage must be stored with clear signs to indicate its status and origin. For external audit purposes all records (or copies thereof) must be freely available at IMS level. The IMS must also ensure compliance with the SRP Chain of Custody Policy and Standard (available at www.sustainablerice.org).
3.14 Handling of complaints

A producer group or individual producer with multiple sites must maintain a system to ensure that customer complaints are received, registered, identified, investigated, followed up and reviewed in a fair and timely fashion.

3.15 Service providers

The IMS must maintain complete records to demonstrate that the competency of any service providers has been assessed and meets the requirements of the SRP Standard. The work of service providers should follow relevant requirements and procedures in accordance with the applicant’s IMS; such requirements must be specified in service level agreements or contracts.

3.16 Logo/label use and permitted claims

Under the SRP Assurance Scheme, permitted sustainability claims and use of the SRP-Verified label depend on the assurance level. In making on or off-pack claims and in using the SRP-Verified label, the producer group must comply with the SRP Assurance Scheme (Member Communication and Claims/Label Guidelines, Annex 7) and the CoC Policy and Standard. Both documents are available at the GLOBALG.A.P. and SRP websites.

3.17 Gender equality and women’s empowerment

A producer group or individual producer with multiple sites must maintain a system to ensure that gender equality policy within the Producer Group. A committee must be appointed, responsible for implementation, monitoring and evaluation of measures to promote gender equality and women’s empowerment. Meetings are be held at least twice per year involving all IMS management staff and group members to review progress on enhancing gender equality and women’s empowerment. Women’s empowerment is also one of the indicators stipulated in the SRP Performance Indicators (PI-12), on the basis that empowerment of women leads to improved maternal and family health and well-being. In situations where women are directly involved in rice production, women’s empowerment (e.g. by increasing women’s access to knowledge) is also expected to lead to higher levels of productivity and profitability. This PI can thus be utilized to monitor progress of implementation of the gender equality policy and its impacts.
Annex 1: Template for IMS function descriptions and staff qualifications

**IMS Manager**
The IMS Manager’s main role is to organize the IMS and advise, motivate and train staff and monitor work in the field. S/he oversees the IMS including overall management and group governance to ensure effective and efficient operation.

The IMS Manager must demonstrate the following competences:
- Detailed knowledge of the SRP Standard, Performance Indicators and Assurance Scheme.
- Good knowledge of the IMS procedures, documents and requirements of the external auditor.
- Ability to run a team and train other people within the IMS team.
- Management of administrative tasks and field data.

**Internal Approval Committee**
The Committee’s main task is to make decisions related to the status of group producers based on group governance and IMS procedures. The committee comprises trainers, internal inspectors and the IMS Manager, who must all demonstrate an understanding of the group’s operation and governance and familiarity with IMS procedures to guide decisions. The committee must demonstrate impartiality to ensure that its rulings are accepted as fair and consistent.

**Trainers**
IMS trainers serve to develop and implement an ongoing SRP training program for group members, analyse practices to identify compliance shortfalls and training needs, and implement a regular training program for group members. Training is one of the most important determinants of effective management of a producer group and a key driver of success for the verification process.

Qualifications:
- Mastery of the local language and customs of producers in the group.
- Knowledge of local/regional agricultural systems and farm practices.
- Technical understanding of the SRP Standard and Assurance Scheme, as well as the Performance Indicators.
- Respected by the producers in the group.

**Internal inspector**
The internal inspector plays a key role within the IMS. His/her role and responsibilities demand technical, administrative and social skills and strong attention to detail. The main task of the Internal Inspector is to conduct internal inspections of all members in the first year of operation of the IMS. In subsequent years internal inspection may take a risk-based approach and focus on members with a higher likelihood of missed thresholds. A minimum of 33% of members must be assessed annually and all members must be assessed internally once every three years. The internal inspector is responsible for developing an internal inspection programme to align with these requirements.
The internal inspector is the ‘eyes and ears’ of the IMS; the success of the IMS depends to a considerable extent on the commitment and integrity of the internal inspector, as well as the support and resources made available to enable him/her to accomplish his/her tasks. Priority must therefore be given to continuous training of the Internal Inspector, both at practical and theoretical levels.

Qualifications:
- Mastery of the local language and customs of the producers.
- Knowledge of local/regional agricultural systems and farm practices.
- Understanding of principles and practices of the SRP Standard, Performance Indicators and Assurance Scheme.
- Ability to communicate non-conformities to producers effectively.
- Demonstrable competence in control procedures and internal standards.
- No actual or perceived conflicts of interest that would compromise the integrity of the role.
- Respected by the producers.

**Sales Commercialization Unit**
A person or group of people responsible for sales of paddy/rice products and for identification of supply chain risks at producer level in order to contribute to a management plan to mitigate traceability risk, record purchase and sales data and ensure the traceability system is fully implemented.

Qualifications:
- Mastery of the local language and customs of the producers
- Develop selling plan with the group and ability to communicate selling plan (estimated volume) to clients
- A person or group of people possessing an understanding of the principles and practice of traceability and chain of custody.
Annex 2: Producers List Template

<table>
<thead>
<tr>
<th>Producer Name</th>
<th>Contact details</th>
<th>Group ID</th>
<th>Land Status (Owned/Leased)</th>
<th>Farm Location</th>
<th>GPS Coordinates</th>
<th>Production Area</th>
<th>Date of Registration</th>
<th>Production Yield</th>
<th>Last Inspection</th>
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<td>Longitude</td>
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Annex 3: No Conflict-of-Interest Declaration

I (as undersigned) will avoid any conflict of interest and undertake to inform the person responsible for the IMS if the case arises. I will not inspect nor approve any producers that are a member of my family.

I declare that I have family or business relations (parents, brothers, sisters, children, business partners, etc.) in the following villages:

1. .................................................................
2. .................................................................
3. .................................................................
4. .................................................................

I will not influence the inspection or the decision of approval of any producers that are family members.

I will inform the person responsible for the IMS if any changes occur in my marital or social status.

I fully understand the meaning of conflict of interest and declare that the above information is correct.

Name of inspector or member of the approval committee:

Name: .................................................................

Function within IMS: .................................................................

Date: .................................................................

Place: .................................................................

Signature: .................................................................
Annex 4: Grievance Mechanism
Annex 5: Training Records

Training Records

Subject: ..........................................................................
Name expert/facilitator/trainer: ..............................................
Date: ..........................................................................
Place: ..........................................................................

<table>
<thead>
<tr>
<th>Name participants</th>
<th>Male/Female</th>
<th>Signature</th>
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Agenda meeting: ...........................................................

Summary of the meeting and main conclusions: .................................................................

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........................................................................................................................................
........................................................................................................................................

Signature expert/facilitator/trainer: .................................................................
Annex 6: Internal Inspection Plan

**Internal Inspection Plan**

Name of IMS staff member: ........................................

Total number of producers: ........................................

Number of years participating in sustainability programme ....... year(s)

Inspection time from: / / to / /

<table>
<thead>
<tr>
<th>No.</th>
<th>Time</th>
<th>PLACE/area inspected</th>
<th>Number of producers</th>
<th>Inspector</th>
<th>Note</th>
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